



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

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DAVID E. JANSSEN  
Chief Administrative Officer

June 4, 2001

Board of Supervisors

GLORIA MOLINA  
First District

YVONNE BRATHWAITE BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

To: Supervisor Michael D. Antonovich, Mayor  
Supervisor Gloria Molina  
Supervisor Yvonne Brathwaite Burke  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe

From: David E. Janssen  
Chief Administrative Officer

**STATE LEGISLATIVE UPDATE**

**State Budget Conference Committee Report No. 2**

Today's Budget Conference Committee started off with discussions centered around the amount of the budget reserve. Senator Steve Peace indicated that the reserve should be closer to \$3 billion, while Republican conferees, Assembly Member George Runner and Senator Dick Ackerman, believe the amount should be between \$3 billion-\$4 billion. Assembly Member Tony Cardenas said that staff is working on the issue. Senator Peace repeated his concerns about the Assembly's desire to fund Assembly bills through the budget process, which circumvents the legislative process in the Senate.

In general, the Conference Committee dealt with health and social service issues that did not generate controversy. A number of items were left open for later discussion. For example, Assembly Member Cardenas urged adoption of a County-supported issue to provide \$50 million for trauma centers. He told members that most facilities are "hanging on by a thread" and deserve state funding. Assembly Member Runner indicated that the Republicans have identified trauma center funding as one of their top budget priorities. Although the Senators expressed some interest, no one would commit to a \$50 million funding level at this point. The Senate conferees also suggested opening the fund to all hospital emergency departments.

Another example of an issue that was held open is the Assembly's proposal to withhold \$50 million from the County's Social Services Realignment Account unless the County pays IHSS workers a higher wage rate. All CalWORKs and Foster Care issues have been left open pending legislative working groups' development of a CalWORKs package and a Foster Care package.

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The Conference Committee recessed at 5:00 p.m. and is scheduled to return at 7:30 p.m.

We will continue to keep you advised.

DEJ:GK  
DS:ML:zo

c:     Executive Officer, Board of Supervisors  
         County Counsel  
         All Department Heads  
         Legislative Strategist  
         Coalition of County Unions  
         California Contract Cities Association  
         Independent Cities Association  
         League of California Cities  
         City Managers Associations  
         Buddy Program Participants